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FISCAL IMPACT STATEMENT

LS 6095

BILL NUMBER: SB 23

NOTE PREPARED: Nov 4, 2011

BILL AMENDED:

SUBJECT: Confined Feeding Operations Near State Parks.

FIRST AUTHOR: Sen. Nugent

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that after June 30, 2012, a person may not: (1) apply manure; or (2) start construction of a confined feeding operation; within two miles of the boundary of a state park or reservoir operated, maintained, or managed by the Department of Natural Resources (DNR). It provides that the construction limitation does not apply to the expansion of a confined feeding operation or the expansion of an agricultural operation that will become a confined feeding operation as a result of the expansion.

Effective Date: July 1, 2012.

Explanation of State Expenditures: If fewer confined feeding operations (CFOs and CAFOs) are constructed as a result of this bill, then expenditures for oversight of the operations by the Indiana Department of Environmental Management (IDEM) could be reduced. Also, this bill could reduce the need for state expenditures for cleanups of animal waste spills near state natural resources. The specific impact is indeterminable.

IDEM is funded by both state General Fund and dedicated fund appropriations.

Explanation of State Revenues: If fewer confined feeding operations are constructed as a result of this bill, then revenue generated from permit fees for the operations could decrease. However, the overall impact could be offset by a reduction in state expenditures.

Background Information - In FY 2011, 1,966 operations existed in Indiana. There were approximately 628 CAFOs and 1,338 CFOs. CFOs pay a one-time fee of \$100, and they may be renewed every five years.

CAFOs that seek a general NPDES permit pay \$150 every five years, and CAFOs that seek an individual NPDES permit pay \$300 every five years.

Fees are deposited in the Environmental Management Permit Operation Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DNR; IDEM.

Local Agencies Affected:

Information Sources: IDEM, *FY 2011 Legislative Report on CFO/CAFO Activities*.

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